

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7505

BILL NUMBER: HB 1543

NOTE PREPARED: Apr 21, 2011

BILL AMENDED: Apr 20, 2011

SUBJECT: Regulation of Residential Leases.

FIRST AUTHOR: Rep. Speedy

FIRST SPONSOR: Sen. Schneider

BILL STATUS: As Passed Senate

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: (Amended) The bill provides that the owner of a rental unit assessed any inspection, registration, or other fee by a political subdivision pertaining to the rental unit may: (1) notify the tenants of the rental unit of the assessment of the fee; and (2) require the tenants of the rental unit to reimburse the owner for the payment of the fee. It also provides that tenants of a rental unit may not be required to reimburse the owner of a rental unit for fees assessed by a political subdivision relating to the construction of the rental unit, such as building permit fees.

The bill requires the political subdivision to maintain the fees collected in a special non-reverting fund dedicated solely to reimbursing the costs reasonably related to services actually performed by the political subdivision that justified the imposition and amount of the fee.

Effective Date: Upon passage.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: Any political subdivision that imposes a fee for inspection, registration, or other fee on a rental unit owner would have to place revenue from those inspection fees in a separate dedicated fund that would not revert to the subdivision's general fund.

State Agencies Affected:

Local Agencies Affected: Political subdivisions that charge rental facility inspection, registration, or other fees.

Information Sources:

Fiscal Analyst: Chris Baker, 317-232-9851.